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Attorney for Debtors
Hannah Kim

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re

HANNAH KIM,

Debtor.

) Case No. 8:17-bk-11664-TA

) Chapter 13

) **DEBTOR'S OPPOSITION TO**
) **CREDITOR'S MOTION TO CONVERT**
) **HANNAH KIM'S CHAPTER 13 PETITION**
) **TO CHAPTER 7 AND FOR SANCTIONS**
) **AGAINST DEBTOR HANNAH KIM AND**
) **ATTORNEY DANA M. DOUGLAS;**
) **DECLARATION OF DANA M. DOUGLAS**
) **IN SUPPORT**

) Hearing

) Date: July 26, 2017

) Time: 2:00 pm

) Courtroom: 5B – 411 W. Fourth St.
) Santa Ana, CA

TO THE HONORABLE THEODOR C. ALBERT, UNITED STATES BANKRUPTCY JUDGE,
OFFICE OF THE UNITED STATES TRUSTEE, AMRANE COHEN CHAPTER 13
TRUSTEE, CREDITORS G.F. KOREA, INC./JI YOUNG KIM/JONG DAE LEE, OTHER
PARTIES IN INTEREST:

HANNAH KIM, “Debtor” herein, opposes the G.F. Korea, Inc., Ji Young Kim and Jong Dae Lee (“Creditors”)’s Motion...for an Order (1) to Convert Hannah Kim’s Chapter 13 Petition to Chapter 7, and (2) for an Order Sanctioning Debtor Hannah Kim and Attorney Dana M. Douglas \$11,000.00 Pursuant to Rule 901 or 11 U.S.C. § 105 (the “Motion”) as follows:

1) Debtor and counsel conscientiously calculated Debtor’s liabilities in their election to file the chapter 13 petition; however, Debtor appears not to have been properly counseled and did not understand the significance of certain actions taken and debts incurred in relation to the litigation between Creditors and Debtor. The result of Debtor’s lack of understanding is that she did not communicate all debts and counsel did not anticipate or discover certain debt(s) which alter the total secured and unsecured debts so that Debtor no longer qualifies to reorganize her debts under a chapter 13;

2) In the interim since the filing of Creditor’s Motion, Debtor and Counsel have evaluated the arguments therein and determined that although Debtor may have defenses to various of claims they continue to be her liabilities at this time and were her liabilities at the time of commencing her case;

3) Debtor must, therefore, convert her case. But it is neither in Debtor’s best interest nor her goal to liquidate her debt; she seeks to reorganize and, exceeding the debt levels permitted in chapter 13, she has no alternative but to ask the court to convert her case to one under chapter 11;

4) Debtor has diligently sought out sources of additional household income and believes she will have sufficient income to reasonably reorganize her debt under chapter 11 and, concurrently with the filing of this opposition, has filed a motion to convert the chapter 13 case to chapter 11; moreover,

5) Debtor and counsel’s miscalculation and disclosure of her debts is not the result of any effort at deceit or obfuscation but, rather, the result of Debtor’s lack of

1
2 understanding and a corresponding miscalculation. Further, there is no reason to
3 sanction Debtor or counsel for these errors which would have been considered and
4 addressed in the event of a simple communication from Creditors' counsel to the
5 undersigned.

6 IN CONCLUSION, Debtor asks the Court to deny the Motion in its entirety.

7 Respectfully submitted,

8
9 Date: July 26, 2017

/s/ Dana M. Douglas

Dana M. Douglas
Attorney for Debtor
Hannah Kim

DECLARATION OF DANA M. DOUGLAS IN SUPPORT

I, DANA M. DOUGLAS, declare as follows:

1) I am an attorney at law, authorized to practice before the Federal Courts in the Central District and before this court. I am attorney of record for Movant herein, Hannah Kim ("Debtor"). I have personal knowledge of the following facts other than those stated on information and belief, which I believe to be true, and if called upon to do so, I could and would competently testify thereto under oath, in a court of law.

2. I submit this Declaration in support of Debtor's opposition to G.F. Korea, Inc., Ji Young Kim and Jong Dae Lee ("Creditors")'s Motion...for an Order (1) to Convert Hannah Kim's Chapter 13 Petition to Chapter 7, and (2) for an Order Sanctioning Debtor Hannah Kim and Attorney Dana M. Douglas \$11,000.00 Pursuant to Rule 901 or 11 U.S.C. § 105 (the "Motion").

3) I commenced this bankruptcy case for Debtor on April 26, 2017, after carefully calculating Debtor's liabilities, including Creditors' claim(s), mortgage claims and other debts;

4) Debtor and I repeatedly discussed her debts and their character and believed they were properly disclosed and characterized;

5) After receiving Creditors' Motion we again discussed the debts and, when I communicated with Creditors' counsel at the recent § 341(a) Meeting of Creditors, it became apparent that there were miscalculations and we identified how and why these occurred;

6) The miscalculations increase Debtor's liabilities and alters their character;

7) In order to properly address this issue Debtor needed to examine whether her household has any ability to increase its income so as to reasonably propose to reorganize her debts under chapter 11 because this is the appropriate chapter for a party with liabilities of the corrected amounts for Debtor;

8) Debtor and her household have concluded they have the ability to increase their income and she has filed concurrently herewith a motion to convert her case to one under chapter 11;

9) The miscalculations are not the result of any intent to deceive the Court or any other party or to obfuscate Debtor's liabilities or her financial situation and imposition of sanctions against Debtor or the undersigned would be both inappropriate and a miscarriage of justice – particularly because we would have performed the same analyses above if we had received a simple communication from Creditors' counsel advising of the errors he believes exist.

I respectfully request that the Court deny Creditors' Motion in its entirety.

Sworn under penalty of perjury under the laws of the United States of America this 26th day of July, 2017, in Los Angeles, California.

By: /s/ Dana M. Douglas
Dana M. Douglas

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 11024 Balboa Blvd., No. 431, Granada Hills, CA 91344.

A true and correct copy of the foregoing document entitled (*specify*): OPPOSITION TO MOTION TO CONVERT CASE & FOR SANCTIONS will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) 7/26/2017, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Ali Ammar info@silveradoip.com
- Julian K Bach Julian@Jbachlaw.com, julianbach@sbcglobal.net
- Amrane (SA) Cohen (TR) efile@ch13ac.com
- Dana M Douglas dmddouglas@hotmail.com
- Nichole Glowin nglowin@wrightlegal.net, BKUDGeneralupdates@wrightlegal.net
- United States Trustee (SA) ustpreion16.sa.ecf@usdoj.gov

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On (*date*) 7/26/2017 I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

G.F. Korea, Inc./Ji Young Kim/Jong Dae Lee
c/o Counsel, Charles L. Murray III, Esq.
444 S. Flower St., Ste. 2530
Los Angeles, CA 90071

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) 7/26/2017, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Hon. Theodor Albert
US Bankruptcy Court - Central District of CA
411 W. Fourth St., Ste. 5085
Santa Ana, CA 92701-4593

G.F. Korea, Inc./Ji Young Kim/Jong Dae Lee
c/o Counsel, Charles L. Murray III, Esq.
via Email – cmurray@cm3law.com
via Fax 213-627-6051

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

7/26/2017
Date

DM Douglas
Printed Name

/s/ DM Douglas
Signature

SERVICE VIA US MAIL

American Express
Customer Relations 02-04-40
4315 S. 2700 W
Salt Lake City, UT 84184-04400

Bank of America
PO Box 982238
El Paso, TX 79998

BBVA Compass Bank
15 20th St. S, 9th Flr.
Birmingham, AL 35233

CA Franchise Tax Board
ATTN: Bankruptcy Dept.
MS: A-340
Sacramento, CA 95812-2952

Capital One
ATTN: General Corresp.
PO Box 30285
Salt Lake City, UT 84130-0287

Citi|Costco
PO Box 790046
St. Louis, MO 63179-0046

Citi|Cards
P Box 6500
Sioux Falls, SD 57117

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c/o Charles L. Murray III
444 S. Flower S., Ste. 2530
Los Angeles, CA 90071

Hyundai Capital America
4000 MacArthur Blvd.
Newport Beach, CA 92660

Internal Revenue Service
PO Box 7346
Philadelphia, PA 19101

G.F. Korea, Inc./Ji Young Kim/Jong
Dae Lee
c/o Charles L. Murray III
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Los Angeles, CA 90071

Seterus Inc.
PO Box 1077
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